**Guidelines for Preparation of Business Plan**

***Annexure I* (FDI Rules & Regulations 2012)**

The business plan must include information not limiting to the following:

1. Project outline/proposed activity

2. Project cost excluding working capital

3. Installed capacity

4. Location

- Details on the site and location of the proposed project (Geog, Dungkhag, Dzongkhag)

5. Land requirement

- Details including type of current land use, requirement in acres or sq ft., land to be owned or on lease, etc.

6. Power requirement

- Requirement in MW/KW

7. Foreign exchange and convertible currency requirement:

a) Capital

b) Recurrent

Earnings and sources of foreign exchange and convertible currency to finance the required foreign exchange and convertible currency.

8. Project Financing:

- Loan

- Equity (Provide supporting documents on the sources of funds)

9. Promoters & Shareholding

- List of promoters (foreign and local investors) and their proposed shareholding percentages

10. Profile of foreign investor(s)

- Background of investors including total net worth

11. Profile of local partner(s)

- Background of the local partner(s) including proof of financial capability

12. Raw materials:

- Include details such as HS Code, annual quantity, unit of measure, unit price and source of each item for both domestic and imported raw materials.

- Monthly raw material requirement/its source (country)

13. Final Product(s)

- Include details such as HS Code, annual production, unit of measure, selling price for product(s).

14. Market

- Target market including share percentages amongst domestic, India and other countries

15. Manpower (during operation):

- Include for all categories such as managerial, technical, professional, skilled, unskilled and semi-skilled

a) National

b) Non-National

- HR plan including training of nationals and phasing out of non-nationals

16. Value addition

Cost of production – Raw materials cost

--------------------------------------------------- X 100

Cost of production

17. Rational for investing in Bhutan and benefits of investment

18. If the FDI is in an existing entity, the following additional information shall be required:

i. Reasons and justifications for FDI.

ii. If the FDI is for expansion, provide areas of expansion and supporting documents proving value/worth of the existing project.

iii. If the FDI is for revival of a sick industry, provide supporting documents proving that the existing entity is a sick industry.

1. If the FDI is for strategic alliance, provide details of strategic alliance.

19. Strategies for transfer of knowledge and Technology

20. Strategies to generate employment opportunity in the project/company

21. Joint Venture Agreement/Memorandum of Understanding between the foreign investor(s) and Domestic Investor(s)

*Declaration*

I/We, the undersigned, being duly authorized, declare to the best of my/our knowledge and belief that the information contained in this application is correct and complete and I/We authorize the Department to make all necessary inquiries and to conduct all necessary checks in relation to this business plan. In case the information provided in the plan is found to be false, the Department may withdraw the proposal and take action as per the laws of the land.

Promoter/Authorised representative: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­\_

Signed at: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ this \_\_\_\_\_\_\_\_\_\_\_Day of\_\_\_\_\_\_\_\_\_\_\_20\_\_\_\_\_\_\_\_